

Renting Out Individual Rooms in a Single Unit

Example

- Purchasing a three bedroom two bath condominium in a college town
- Renting out each room individually
- Minor Renovations
- Target: stable cash yields during hold
- Private Investor

Deal Economics

- Purchase price: \$325K
- Renovations: \$15K to widen rooms and expand living room while reducing oversized garage.
- Market rental rates: \$700-\$1050 single room
- 65% Debt
- Investment Term: 20 years